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**THE STATE OF NEW HAMPSHIRE  
INSURANCE DEPARTMENT**

21 SOUTH FRUIT STREET SUITE 14  
CONCORD, NEW HAMPSHIRE 03301

Roger A. Sevigny  
Commissioner

Alexander K. Feldvebel  
Deputy Commissioner

November 22, 2013

The Honorable Mary Jane Wallner, Chairman  
Fiscal Committee of the General Court  
State House  
Concord, NH 03301

Her Excellency, Governor Margaret Wood Hassan  
And the Honorable Executive Council  
State House  
Concord, NH 03301

Requested Action

1. Pursuant to RSA 14:30-a, VI, authorize the Insurance Department to accept and expend federal grant funds in the amount of \$2,318,181.00 for FY 2014-15 from the U.S. Department of Health and Human Services ("USDHHS") for the purpose of improving the health insurance rate review process, enhancing the quality of data collected on health insurance claims, improving the transparency of information for consumers, and enhancing the HealthCost website as a centralized location for health care price information. This action is to be effective upon Fiscal Committee and Governor and Executive Council approval through June 30, 2015.

Source of Funds is 100% Federal Funds.

2. Pursuant to RSA 124:15 authorize the Insurance Department to establish a Class 046 (Consultants) to enter into contracts for consulting services with various vendors in Account Number 02-24-24-2400-88870000 for the period of Fiscal Committee and Governor and Executive Council approval through June 30, 2015.

Funds will be budgeted as set forth in the table below. Source of funds: 100% Federal Funds.

FY 2014-2016 Health Insurance Premium Review Cycle III Grant  
02-24-24-2400-88870000

		Fiscal Year 2014	Fiscal Year 2015
Class	Description	New Appropriation	New Appropriation
20	Current Expense	\$8,500	\$11,500
30	Equipment	\$1,000	\$0
41	Audit Set Aside	\$953	\$1,498
46	Consultants	\$666,023	\$1,186,167
49	Transfer To Other State Agencies	\$0	\$400,000
50	Personal Services Part Time Temp	\$4,500	\$23,400
60	Benefits	\$350	\$1,790
69	Promotional (Outreach)	\$3,750	\$5,000
70	In-State Travel	\$1,250	\$2,500
	Total Appropriation	\$686,326	\$1,631,855
	Source of Funds		
0	Federal Funds	\$686,326	\$1,631,855

EXPLANATION

The New Hampshire Insurance Department has received a federal grant to support improving the health insurance premium rate review process and transparency related to health insurance premiums and medical care costs in New Hampshire. The Health Insurance Premium Rate Review Grant –Cycle III is made available pursuant to Public Law 111-148 (The Patient Protection and Affordable Care Act). The purpose of the grant program is to help make private health insurance more accessible and affordable and

increase the transparency of the health insurance system by providing grants to states to help them improve the health insurance rate review process. The Insurance Department currently reviews health insurance premium rates, and has been deemed to be an effective rate review state by USDHHS. We are requesting the acceptance of this grant in the amount of \$3,020,048 to allow for the continuation of the efforts to improve our health insurance rate review process during FY 2014, FY 2015 and FY2016. The balance of the grant funds in the amount of \$702,067 not contemplated to be budgeted through this action will be included in the Agency FY2016 Budget.

The following appropriation authority is being requested for Fiscal Year 2014 and 2015:

1. Class 020 – Current Expenses – FY14 - \$8,500; FY15 - \$11,500. These funds are required in order to provide general supplies to the part-time employee and outreach materials consisting of publications and pamphlets.
2. Class 030 – Equipment (new/replacement) – FY14 - \$1,000. These funds are required to purchase necessary computer systems, software, and technical support for the part-time employee, the contracted project manager and internal Department support personnel who will be overseeing and/or supplementing the contractors' efforts.
3. Class 041 – Audit set aside – FY14 - \$953; FY15 - \$1,498. These funds are required in order to meet audit costs associated with the grant program.
4. Class 046 – Consultants – FY14 - \$666,023; FY15 - \$1,186,167. These funds are required to hire consultants to perform quantitative analysis of various data sources, create futuristic model of the insurance marketplace, improve the transparency of information for consumers, and enhance the HealthCost website as a centralized location for health care price information.
5. Class 049 – Transfers to Other State Agencies – FY14 - \$0; FY15 - \$400,000. These funds are required to allow for the transfer of funds to DHHS to support NHCHIS data consolidation efforts.
6. Class 050 – Personal Services – PT Temp – FY14 - \$4,500; FY15 - \$23,400. These funds are set aside in order to pay the part time employee to administer the grant program.
7. Class 060 – Benefits – FY14 - \$350; FY15 - \$1,790. These funds are necessary for the payroll contributions for the part-time employee.
8. Class 069 – Promotional – FY14 - \$3,750; FY15 - \$5,000. These funds are required in order to rent meeting rooms for the Out Reach Program of the grant program.
9. Class 070 – In State Travel – FY14 - \$1,250; FY15 - \$2,500. These funds are required for travel related to grant administration within the state.

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981:

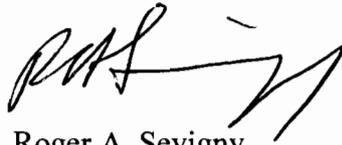
1. List of personnel involved: This federal grant will continue to fund a part time temporary position of Grants and Contracts Technician (Labor Grade 15). We are using the Supplemental Job Description that was approved by the Director of Personnel on December 1, 2010. This position is currently funded by the "Grant to Support States in Health Insurance Rate Review Grant Cycle II which ends 09/30/2014. A copy of the director's approval is attached. Upon Fiscal Committee and Governor and Executive Council approval, the Insurance Department will award contracts to various vendors and pay them from the Consultants line item.
2. Nature, need, and duration: The position of Grants and Contracts Technician will be serving as the financial records assistant, maintaining all financial records and creating requisite financial reports for the grant. Department will also employ various contractors to work on this project. Funding for this position and various consultant contracts will be good through June 30, 2015.
3. Relationship to existing agency program: The funds from this federal grant will be used to enhance Insurance Department functions related to our existing health insurance premium rate review process. Funds will be used to improve the transparency of cost drivers in the New Hampshire health insurance system by providing the means to improve current data sources and in turn the health insurance rate review process.
4. Has a similar program been requested of the legislature and denied? The nature of the work to be completed under the grant has never been requested and denied by the General Court.
5. Why wasn't funding included in the agency's budget request? The September 23, 2013 notification of the federal government's funding of this grant occurred after the 2014/2015 state budget closed.
6. Can portions of the grant funds be utilized? 100% of federal grant funds can be used to fund the personnel costs and all program costs associated with this request.
7. Estimate the funds required to continue this position(s): There will be no cost to the State of New Hampshire associated with this position or any consultants as all will terminate at the end of the grant period.

FISCAL SITUATION

U.S. Department of Health and Human Services Appropriation	\$3,020,248.00
FY2014 Requested Appropriation	\$ 686,326.00
FY2015 Requested Appropriation	\$1,631,855.00
Anticipated FY16 Agency Budget Request	<u>\$ 702,067.00</u>
Total Appropriations	\$3,020,248.00

In the event that federal funds become no longer available, General Funds will not be requested to support this program. Thank you for your consideration.

Respectfully submitted,



Roger A. Sevigny

Enclosures

## **SUPPLEMENTAL JOB DESCRIPTION**

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**Classification:** Grants and Contracts Technician  
**Position Title:** Bookkeeper – Grants  
**Position Number:** 9TEMP

**Function Code:** 4863-024  
**Date Established:** 12-1-10  
**Date of Last Amendment:**

### **SCOPE OF WORK:**

Develop and administer a combination of fiscal and technical support (including bookkeeping), for federally funded grants awarded to the New Hampshire Insurance Department. Provide fiscal management, budget development, account monitoring, analysis, and reporting; maintain financial data and personnel data entry relative to grant funded activities. 100% of this position's 20 hour work week is devoted to the implementation of the Federal Affordable Care Act. .

### **ACCOUNTABILITIES:**

- Completes regular and ongoing systematic analysis of business processes to ensure compliance with State of New Hampshire and Federal requirements and applicable auditing standards with respect to federal grant administration.
- Implements and monitors Insurance Department and federal grant financial and administrative procedures, including monitoring and reporting on federal grant budgets and expenditures.
- Complies with federal and state requirements for internal controls to monitor cash receipts and expenditures for federal grant funds.
- Prepares various State of New Hampshire and Federal financial and business reports, related to federal grant funds.
- Ensures appropriate audit trails, and properly completes assigned State of New Hampshire and Federal financial tasks.
- Completes financial reporting and data entry into applicable systems for Federal grant fund receipts and expenditures.
- Completes accounting tasks and financial reporting procedures in compliance with State of New Hampshire and federal grant requirements.

### **MINIMUM QUALIFICATIONS:**

**EDUCATION :** Associate's degree from a recognized college or technical institute with a major study in business administration, accounting, or public administration, or related field. Each additional year of approved formal education may be substituted for one year of required work experience.

**EXPERIENCE:** Two years' experience in responsible office or business management activities with experience in grants and/or contracts processing or review. Each additional year of approved work experience may be substituted for one year of required formal education.

**LICENSE/CERTIFICATION:** None required

**PREFERRED QUALIFICATIONS:** Experience with, and training in the Lawson System and Excel software applications. Bookkeeping or business administration involving financial recordkeeping and reporting, preferably with federal grant bookkeeping and/or financial accounting experience preferred.

**DISCLAIMER STATEMENT:** The supplemental job description lists typical examples of work and is not intended to include every job duty and responsibility specific to a position. An employee may be required to perform other related duties not listed on the supplemental job description provided that such duties are characteristic of that classification.

**SIGNATURES:**

I have reviewed the above job description with my supervisor.

\_\_\_\_\_  
Employee's Name and Signature

\_\_\_\_\_  
Date Reviewed

Supervisor's Name and Title: \_\_\_\_\_

The above supplemental job description accurately describes this employee's job responsibilities and duties.

\_\_\_\_\_  
Appointing Authority/Supervisor

\_\_\_\_\_  
Date

*Jennifer J. Elberfeld*  
MR

12-1-10

\_\_\_\_\_  
Division of Personnel

\_\_\_\_\_  
Date Approved

1 DATE ISSUED: 09/23/2013 2 CFDA NO: 93.511 3 ASSISTANCE TYPE: Project Grant

Department of Health and Human Services  
Centers for Medicare & Medicaid Services  
Office of Acquisitions and Grants Management  
7500 Security Boulevard  
Baltimore, MD 21244-1850

1a SUPERSEDES AWARD NOTICE issued  
a- refer this award to the original award number if the award is being reissued  
b- refer this award to the original award number if the award is being reissued

4 GRANT NO: 1 93PER140063-01-00  
5 ACTION TYPE: New

6 PROJECT PERIOD: From 10/01/2013 Through 09/30/2015

7 BUDGET PERIOD: From 10/01/2013 Through 09/30/2015

**NOTICE OF AWARD**  
AUTHORIZATION (Legislation-Regulation)  
Section 2794 of the Public Health Service Act (Section 1003 of the Affordable Care Act)

8 TITLE OF PROJECT: Grants to States to Support Health Insurance Rate Review and Increase Transparency in Health Care  
9 GRANTEE NAME AND ADDRESS: State of New Hampshire Insurance Department  
10 B Street St  
10022  
Concord, NH 03301-0022

10 GRANTEE PROJECT DIRECTOR: Alexander F. Felton  
10 B Street St  
Concord, NH 03301-0022  
Phone: 603-271-2261

10a GRANTEE AUTHORIZING OFFICIAL: Alexander F. Felton  
10 B Street St  
Concord, NH 03301-0022  
Phone: 603-271-2261

10b FEDERAL PROJECT OFFICER: Ms. Felicia Norman  
200 Independence Ave SW Rm 725-04  
WASH DC  
Washington, DC 20201-8004  
Phone: 301-452-4113

**ALL AMOUNTS ARE SHOWN IN USD**

11 APPROVED BUDGET: 3,020,248.00

12 FEDERAL FUNDING SOURCE: 1-2013-2015

13 FEDERAL FUNDING SOURCE: 1-2013-2015

14 FEDERAL FUNDING SOURCE: 1-2013-2015

15 FEDERAL FUNDING SOURCE: 1-2013-2015

16 FEDERAL FUNDING SOURCE: 1-2013-2015

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**AWARD COMPUTATION**

1 Amount of Federal Financial Assistance: 3,020,248.00

2 Less Unobligated Amounts From Prior Budget Periods: 0.00

3 Less Current Prior Obligations This Budget Period: 0.00

4 AMOUNT OF FINANCIAL ASSISTANCE THIS ACTION: 3,020,248.00

5 Total Federal Funds Awarded to Date for Project Period: 3,020,248.00

**THE COMPLETED FUTURE SUPPORT**

6 PROJECT PERIOD: 10/01/2013 - 09/30/2015

7 YEAR: 10/01/2013 - 09/30/2013

8 YEAR: 10/01/2013 - 09/30/2013

9 YEAR: 10/01/2013 - 09/30/2013

10 YEAR: 10/01/2013 - 09/30/2013

11 YEAR: 10/01/2013 - 09/30/2013

12 YEAR: 10/01/2013 - 09/30/2013

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63 YEAR: 10/01/2013 - 09/30/2013

64 YEAR: 10/01/2013 - 09/30/2013

GRANTS MANAGER OFFICER: Michelle Peagins, Grants Management Office

FFY ACCOUNT NO.	DOCUMEN ID	ADMINISTRATIVE CODE	AMT ACTION FIRST	APPROPRIATION
21 a	3-3592533	21P	\$3,020,248.00	7A140112
22 a				
23 a				

FFY CLASS	FFY	FFY VENDOR CODE	FFY ORIGIN	FFY ORIGIN	FFY ORIGIN	FFY ORIGIN
21	21	21	21	21	21	21
22	22	22	22	22	22	22
23	23	23	23	23	23	23